



# The Procurement Regulations (2024)

## - a guide for senior leaders

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This guide is intended to provide Senior Leaders, Permanent Secretaries (PS) and Ministers with an overview of the proposed key changes and amendments introduced in the revised draft procurement regulations (2024)

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**Expanded Scope:** The revised regulations streamline central government procurement by establishing a unified framework.

The revised regulations also broaden their scope to encompass not only Ministries and Departments but also other budget sector agencies and off-budget state entities. These entities will be categorized based on their level of public funding to ensure the regulations are applied appropriately.

**New Procurement Principles:** The revised draft emphasizes *risk mitigation, sustainable procurement, and maximizing value for money* in procurement activities. It also highlights *open, fair, inclusive, and equitable competition* alongside *integrity, accountability, and transparency*.

**Strengthened Oversight:** The regulations emphasises the role of Fiji Procurement Office beyond mere administrative functions and enhances its monitoring role.

**Procurement Authority to be determined by PS Finance:** The PS responsible for finance is proposed to gain increased responsibility in defining the roles of procurement approving authorities. This shift aims to foster an agile procurement system, allowing for flexible adjustments to procurement authority levels

based on evolving market conditions. Previously the procurement authority level is determined by the regulations.

**Enhanced Record-Keeping and Reporting:** The revised draft mandates extended record-keeping (7 years) and add reporting requirements.

**Revised Board Responsibilities:** The revised regulations introduce reporting requirements for the Government Tender Board, including annual reports and specific details on co-opting members, declarations of interest, and their powers. More clarity is provided on the appointment of subcommittees by the Board. The sub committees will include coopted specialist and will make decision on specialised or technical tenders. The revised regulations also revise the process for member appointment and termination.

**More Flexible Procurement Methods:** The revised draft expands the available procurement methods from four to eleven, including options like *electronic reverse auctions* and *community participation*, allowing for a tailored approach to each procurement.

**Stricter Regulations for Emergency Purchases:** The revised draft establishes stricter criteria for emergency purchases, limiting them to *unforeseen events of extreme urgency*. It also clarifies the duration of the emergency period and emphasizes transitioning to open and competitive methods as soon as possible.

**Increased Transparency and Fairness:** The revised regulations aim to increase transparency and fairness in supplier and contractor

participation and qualification by promoting *inclusion of disadvantaged groups and small businesses*, setting stricter ethical and qualification requirements, and requiring justification for limiting participation. Additionally, contract award information must now be published in a *publicly available register*.

**Right to Challenge and Standstill Period:** The new regulations introduce a 10-day *standstill period* after a proposed contract award, allowing other bidders to challenge the decision. This is in line with recommendations from the Public Expenditure and Financial Accountability (PEFA) review.

**Debarment Process Introduced:** A Debarment committee can debar or suspend individuals and businesses from participating in public procurement for up to 5 years for various reasons, including submitting false information, engaging in bid collusion, contract misconduct, or serious criminal convictions. Details of the debarred or suspended entities are published in a public register.

**New Grounds for Waiver included:** The revised regulations introduce new grounds for waiving tender procedures. The Hon. Minister (responsible for Finance) also retains authority to approve exemptions under certain circumstances (urgent infrastructure development and services and legal services)

**Some Waiver Conditions moved to Board approval:** Previously, the Hon. Minister (responsible for Finance) held the primary authority to approve most waiver requests. However, under the revised regulations, decision-making for certain waiver grounds has been transferred to the Board. This includes areas like defence procurements, overseas Missions, and agency-to-agency procurements. To ensure informed decision-making by the Board, all waiver requests requiring their approval will now necessitate comprehensive reports prepared by the requesting ministries, conducted with due diligence.

**Streamlined Review Process:** The revised draft clarifies the review and complaints process. The Permanent Secretary's (responsible for finance) may appoint a complaints committee to assist with the review process.

**Disposal of Government Assets:** The revised regulations introduce a "Threshold for Central Disposal"

**Review and International Obligations:** The revised regulations mandate regular reviews (every 3 years) and clarify the regulations' precedence over conflicting guidelines and international obligations.

**Repeal:** In a bid to consolidate all central government procurement under a single framework, Part 4 – Procurement and Section 7 (1)(e) and (f); of the Information Technology and Computing Services Act No 17 of 2013 is proposed to be repealed.

#### Suggested Thresholds:

Threshold	Value FJD
Written Quotation	100
Competitive Quotations	500
Tender	50,000
Board Approval (Goods and Services)	100,000
Board Approval (Works)	150,000
Strategic Procurement Plan	1,000,000
Central Disposal	50,000

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Please note that this is a summary of the draft regulations. The draft procurement regulations will provide detailed information. To view the current regulations, policies, and guidelines, please visit [www.fpo.gov.fj](http://www.fpo.gov.fj)

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